

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION 500 WEST TEMPLE STREET, ROOM 383 LOS ANGELES, CALIFORNIA 90012 (213) 974-1411 • FAX (213) 620-0636 MEMBERS OF THE BOARD

GLORIA MOLINA

MARK RIDLEY-THOMAS

ZEV YAROSLAVSKY

DON KNABE

MICHAEL D. ANTONOVICH

August 12, 2009

TO:

Robert Kalunian

Acting County Counsel

FROM:

Sachi A. Hamai

Executive Officer

SUBJECT:

REPORT ON LEGAL ISSUES OF NONDISCLOSURE OF

INFORMATION PERTAINING TO SEVERANCE PACKAGE GIVEN TO CHANCELLOR OF LOS ANGELES COMMUNITY COLLEGE DISTRICT

At the Board of Supervisors' meeting held August 11, 2009, Supervisor Antonovich requested you to report back on the legal reasons why the Board of Trustees did not disclose public information about the reasons behind the \$428,750 severance package given to the Marshall E. Drummond, Chancellor of the Los Angeles Community College District.

Enclosed is a copy of the transcript to assist you in preparing your report

SAH:att

c: Each Supervisor

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The Meeting Transcript of The Los Angeles County Board of Supervisors



- HE WAS THE FIRST JAPANESE AMERICAN FEDERAL JUDGE. GROWING UP
- 2 IN WORLD WAR II, HE SPENT HIS TIME IN AN INTERNMENT CAMP WITH
- 3 HIS FAMILY. AND THEN HE WAS A GRADUATE FROM THE UNIVERSITY OF
- 4 SOUTHERN CALIFORNIA LAW CENTER IN 1959, AND HE FOUNDED THE PRO
- 5 BONO BAR REVIEW STUDY COURSE. HIS SON, AS WE ALL KNOW, JOHN
- 6 TAKASUGI, IS NOW A MEMBER OF THE LOS ANGELES COUNTY SUPERIOR
- 7 COURT AS A JUDGE. RONALD REAGAN APPOINTED ROBERT TO THE L.A.
- 8 MUNICIPAL COURT IN 1973. PRESIDENT GERALD FORD THEN ELEVATED
- 9 BOB TO THE FEDERAL COURT. ALSO GEORGE HORN, LONGTIME RESIDENT
- 10 OF LA CANADA-FLINTRIDGE, A LOVING FATHER AND MENTOR. HE SERVED
- 11 IN UNITED STATES ARMY AS AN OFFICER IN WORLD WAR II, AND
- 12 STARTED HIS ACCOUNTING FIRM WHERE HE WAS QUITE ACTIVE IN THE
- 13 SAN GABRIEL VALLEY. THOSE ARE MY ADJOURNMENTS. LET ME ASK OUR
- 14 COUNTY COUNSEL A QUESTION. I HAVEN'T HEARD THIS BEFORE. MAYBE
- 15 IT'S BEEN DONE BEFORE. BUT A COUPLE WEEKS AGO WHEN I WAS IN
- 16 WASHINGTON, D.C., I HAD READ IN THE PAPER WHERE THE LOCAL
- 17 CHANCELLOR OF THE LOS ANGELES COMMUNITY COLLEGE BOARD WAS
- 18 GIVEN A \$425,000 SEVERANCE PAY BUYOUT OF A CONTRACT BECAUSE HE
- 19 QUIT COMING TO WORK FOR SOME UNKNOWN REASON AND JUST DIDN'T
- 20 SHOW UP OR WHATEVER. BUT WHEN THE PUBLIC REQUESTED INFORMATION
- 21 ON THIS, IT WAS DENIED BECAUSE IT WAS A PERSONNEL MATTER. BUT
- 22 IF YOU'RE AWARDING THESE TYPES OF APPROPRIATIONS, ISN'T THAT
- 23 PUBLIC INFORMATION? I KNOW IF YOU LOOK AT A STOCK COMPANY'S
- 24 STATEMENT, THEY LIST THE COMPENSATION THAT THE DIRECTORS HAVE
- 25 AND MEMBERS OF THE BOARD HAVE, AND ANY COMPENSATION PACKAGE

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- 1 THAT THE PRESIDENT AND OTHERS HAVE FOR THOSE FACILITIES. WHY
- 2 WOULDN'T THAT SAME APPLY TO A PUBLIC AGENCY?

3

- 4 ROBERT KALUNIAN: I'M SORRY, SUPERVISOR, I WAS OUT OF THE ROOM
- 5 AND MISSED THE FIRST PART OF YOUR QUESTION.

6

- 7 SUP. ANTONOVICH: THE QUESTION WAS TWO WEEKS AGO IN THE PAPER,
- 8 WHEN I WAS IN WASHINGTON AND I READ WHERE THE CHANCELLOR OF
- 9 THE LOS ANGELES COMMUNITY COLLEGE BOARD OF TRUSTEES QUIT
- 10 COMING TO WORK OR WHATEVER. AND THEN THEY GAVE HIM A \$425,000
- 11 SEVERANCE PAY, PLUS I GUESS SOME OTHER BENEFITS THAT THEY
- 12 COULDN'T DISCLOSE TO THE PUBLIC. AND I'M SAYING WHY CAN'T THEY
- 13 DISCLOSE THAT TO THE PUBLIC WHEN WE HAVE TO DISCLOSE WHAT WE
- 14 DO TO THE PUBLIC, AND A PRIVATE COMPANY MUST DISCLOSE TO THEIR
- 15 STOCKHOLDERS THE COMPENSATION, SEVERANCE PACKAGES AND ALL THAT
- 16 THEY GIVE TO THEIR OFFICERS OF THE CORPORATION?

17

- 18 ROBERT KALUNIAN: WELL, I CAN'T SPEAK TO WHAT THEY'RE BASING
- 19 THEIR LEGAL OPINION ON. BUT I CAN INDICATE THAT IN DIFFERENT
- 20 CIRCUMSTANCES, DIFFERENT FACTORS ARE PUBLIC INFORMATION. IF
- 21 THERE'S A LAWSUIT PENDING AND THERE'S A PUBLIC SETTLEMENT. SO
- 22 IT'S DIFFICULT TO TALK ABOUT THE SITUATION.

23

- 24 SUP. ANTONOVICH: MAYBE YOU COULD LET US KNOW ON THAT ONE.
- 25 BECAUSE WHEN WE DEALT WITH ISSUES HERE, WE'VE ALWAYS HAD TO

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- 1 REPORT. AND WHETHER WE DO IT IN EXECUTIVE SESSION, WE HAVE TO
- 2 REPORT IN PUBLIC SESSION. SO WE'VE ALWAYS HAD BASICALLY
- 3 OPENNESS. I'VE NEVER HEARD OF A PUBLIC AGENCY HIDING FROM
- 4 OPENNESS. THAT'S WHY. AND THAT'S ALL I HAVE, MR. CHAIRMAN.

5

- 6 SUP. KNABE, CHAIRMAN: WE WILL GO TO PUBLIC COMMENTS. FIRST
- 7 FROM LANCASTER, NICOLE PARSON. MISS PARSON, YOU HAVE THREE
- 8 MINUTES. ARE WE GOING TO HOOKUP? ARE WE HOOKED UP? HELLO?
- 9 OKAY. GO AHEAD.

10

- 11 NICOLE PARSON: HI. I WOULD LIKE TO SUPPORT ALL THE ITEMS HELD.
- 12 I HAD SOME STRONG FEELINGS ABOUT THOSE, YEAH. AND THEN MR.
- 13 YAROSLAVSKY, THE ITEM THAT HE SPOKE ON THAT, YEAH, I WANTED TO
- 14 GIVE SPECIAL ATTENTION TO THAT, AND NUMBER 37, MR. ANTONOVICH.
- 15 AND THEN TODAY I'D LIKE TO TALK ABOUT POWER IN YOUR FLEX,
- 16 WHICH SORTS OF SOUNDS LIKE FLEX YOUR POWER AND IS JUST A
- 17 SPINOFF OF THAT. BUT POWER YOUR FLEX IS STUFF THAT YOU DO
- 18 WITHOUT MECHANICAL MECHANICAL -- MECHANICAL -- MECHANICAL OR
- 19 THAT TAKES MONEY OR THERE'S SOMETHING THAT JUST CREATES GOOD
- 20 MUSIC OR A RESURRECTION OF LIFE. AND THEN I WANTED TO TALK
- 21 ABOUT THE PARKS, TOO, BECAUSE OF THE PARKS, IS JUST SOMETHING
- 22 THAT GOING ON RIGHT NOW AND RECOGNITION OF THE WATERS AND
- 23 STUFF, TOO. AND THEN I SPOKE TO, THERE IS MR. MAHEY, AND THEN
- 24 JUST THAT WE HAD A GOOD UNDERSTANDING. AND I SAW YOU GUYS HAVE
- 25 THAT. AND ALL THOSE THINGS. AND THEN I'D LIKE TO SAY I WAS